

MINUTES OF MEETING OF BOARD OF PUBLIC WORKS OF AUGUST 7TH, 1935.

The Board of Public Works met in the offices of the State Treasurer, Annapolis, Maryland, on August 7th, 1935, at twelve o'clock, noon.

Present -

Harry W. Nice, Governor.
Wm. S. Gordy, Jr., Comptroller.
Hooper S. Miles, Treasurer.

The Board proceeded to open proposals for the purchase of \$100,000.00, Three Per Cent, General Bond Issue of 1935, Issue of August 15th, 1935, in accordance with advertisements appearing in the "Baltimore Sun" and the "Baltimore News" of July 8th, 12th, 15th, 19th, 22nd, 26th, 29th, and August 2nd, as follows:

\$100,000

STATE OF MARYLAND

TREASURY DEPARTMENT

THREE PER CENT. "GENERAL BOND
ISSUE OF 1935"

Annapolis, Md.

Pursuant to Chapter 89 of the Acts of the General Assembly of Maryland of 1935, providing for the issue of the Certificates of Indebtedness herein mentioned and described, and pursuant also to a resolution of the Board of Public Works of Maryland passed on the 6th day of June, 1935, and on file and open to inspection in the office of the said Board in Annapolis, Md., the Treasurer of the State of Maryland will receive bids or proposals for Certificates of Indebtedness of the State of Maryland as follows:

\$100,000 THREE PER CENT. CERTIFICATES OF INDEBTEDNESS
KNOWN AS "GENERAL BOND ISSUE OF 1935"

Said Certificates of Indebtedness will all be dated August 15, 1935. They will bear interest at the rate of three per centum per

*Amend
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annum, payable semi-annually on the 15th days of February and August, respectively, in each and every year during the continuance of the loan. The principal of said loan will be payable upon the Serial Annuity Plan, as more fully set forth in said Act of 1935, Chapter 89, as follows:

"GENERAL BOND ISSUE OF 1935"

Series	Amount	Redeemable
"A"	\$6,000.00	August 15, 1938
"B"	6,000.00	August 15, 1939
"C"	6,000.00	August 15, 1940
"D"	7,000.00	August 15, 1941
"E"	7,000.00	August 15, 1942
"F"	7,000.00	August 15, 1943
"G"	8,000.00	August 15, 1944
"H"	8,000.00	August 15, 1945
"I"	8,000.00	August 15, 1946
"J"	9,000.00	August 15, 1947
"K"	9,000.00	August 15, 1948
"L"	9,000.00	August 15, 1949
"M"	10,000.00	August 15, 1950

The said Certificates of Indebtedness will be of the denomination of \$1,000 each, subject to registration as to principal, and all will be issued with interest coupons attached.

This loan and the interest payable thereon is exempt from the Federal income tax, and from State, county and municipal taxation.

The said bids or proposals must be delivered to the Treasurer of the State, at his office in Annapolis, Md., before 12 o'clock noon on Wednesday,

AUGUST 7, 1935.

Each bid must be for cash on delivery, and must be enclosed in a sealed envelope addressed on the outside "Proposal for General Bond Issue of 1935". Each bid must be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland, for five per cent. of the par value of the amount bid for. All bids or proposals will be opened at 12 o'clock noon on Wednesday, August 7th, 1935, in the presence of the undersigned.

On the opening of said proposals, as many of said Certificates of Indebtedness as have been bid for, not exceeding, however, the amount for which proposals are invited, may be awarded by the Governor, the Comptroller of the Treasury and the Treasurer, or a majority of them to the highest responsible bidder or bidders therefor for cash; and if two or more responsible bidders have made the same bid and such bid is the highest and the certificates so bid for by such highest responsible bidders are in excess of the whole amount of certificates as offered for sale, then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The undersigned may, in their discretion, accept one bid for all of said loan or separate bids for parts of said loan, as may produce the largest amount, and they may in their discretion, accept bids which may be for parts of said loan, but are not for all, and they reserve the right in their discretion to reject all bids or any bids.

The Certificates of Indebtedness awarded will be delivered to the successful bidder or bidders, upon receipt of the amount of the successful bid or bids on Thursday, August 15, 1935, at the office of the State Treasurer, Annapolis, Md.

Bidders are referred to the said Chapter 89 of the Acts of the General Assembly of Maryland of 1935, as containing the full terms and provisions of this loan.

It is one of the terms of this offering that the bonds when issued will be the legal and valid binding obligations of the State. The opinion of the Attorney-General of Maryland and the opinion of Ritchie, Janney, Ober & Williams and Mullikin, Stockbridge & Waters to this effect will be delivered to the successful bidder. Bidders may, if they wish, make the legality and validity of the bonds one of the terms of the bid by making the bid "subject to legality" or using any equivalent form of expression, but without leaving this question to the decision of the bidders or their counsel. All bids conditioned upon the approval of bidders or counsel, whether named or unnamed, will be treated as conditional bids and rejected, unless the condition is waived by the bidder to the satisfaction of the Board before the opening of the bid.

HARRY W. NICE,
Governor.

WILLIAM S. GORDY, JR.,
Comptroller of the Treasury.

HOOPER S. MILES,
Treasurer.

The bids received were as follows -

MACKUBIN, LEGG & COMPANY

Redwood and South Sts.,

Baltimore, Maryland.

WEDNESDAY
August 7, 1935.

Treasurer of the State of Maryland,
Annapolis, Maryland.

Dear Sir:-

Referring to your request for sealed bids for
\$100,000 Three Per Cent Certificates of Indebtedness
known as
"General Bond Issue of 1935"

to be dated August 15th, 1935, and due serially August 15, 1938 to 1950 inclusive, more particularly described in the attached advertisement, we hereby offer to pay you for all, but not for any part thereof \$109.8133 and accrued interest from date of bonds to date of delivery for each \$100 par value thereof.

This bid is made with the understanding that the bonds are the direct obligation of the State of Maryland, the full faith, credit and taxing power of which is pledged for the payment of both principal and interest and that the bonds are legally and validly issued and sold.

As evidence of good faith, we enclose certified check for \$5,000. This check is to be used in part payment of the bonds in case our bid is accepted, otherwise to be returned to us promptly.

Very truly yours,

Mackubin, Legg & Company

/s/ Mackubin, Legg & Co.

/s/ H. E. Demuth

WAB:DW

MERCANTILE TRUST COMPANY
OF BALTIMORE

August 7, 1935.

The Honorable Hooper S. Miles, Treasurer,
State of Maryland,
Annapolis, Maryland.

Dear Sir:-

For all but no part of the following described, legally issued, properly executed, direct general obligation of the State of Maryland, namely, \$100,000. 3% Certificates of Indebtedness known as "General Bond Issue of 1935", to be dated August 15, 1935, and to mature serially August 15, 1938 to August 15, 1950 inclusive, without option of prior payment, to be in coupon form in the denomination of \$1,000. registerable as to principal only, semi-annual interest payable February 15 and August 15 and as further described in official notice of sale signed, Harry W. Nice, Governor, William S. Gordy, Jr., Comp-

troller of the Treasury and Hooper S. Miles, Treasurer, we bid the sum of \$ 108.65 for each \$100. Certificate, and accrued interest from date of Certificate to date of delivery thereof.

It is understood that we shall be furnished, without expense to us, at time of or prior to the delivery of these certificates, satisfactory legal opinion of the Attorney-General of Maryland, approving the validity of the certificates, together with certified papers examined by him; also with the approving opinion of Messrs. Ritchie, Janney, Ober & Williams, and Mullikin, Stockbridge & Waters, attorneys of Baltimore, Maryland.

As evidence of our good faith in bidding, we enclose certified check in amount of \$5,000. payable to the order of the Treasurer of Maryland. If this proposal is accepted this check is to be retained as part payment for the above \$100,000. Certificates; otherwise it is to be returned immediately to us.

Yours very truly,

Mercantile Trust Company of Baltimore

/s/ Charles W. Johnson,

Manager Bond Department.

CWJ/S

STROTHER, BROGDEN & CO.

Calvert & Redwood Sts.

Baltimore,
August 6, 1935.

Mr. Hooper S. Miles, Treasurer,
State of Maryland,
Annapolis, Maryland.

Dear Sir:-

Referring to the request of the Treasury Department of the State of Maryland asking for sealed bids for -

\$100,000 STATE OF MARYLAND "General Bond Issue of 1935"

bearing interest at the rate of three percentum (3%) per annum payable semi-annually February 15th and August 15th and due serially in each year beginning August 15, 1938 to and including August 15, 1950, more particularly described in the attached

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advertisement, for all but not for any part thereof, we hereby offer to pay you at the rate of \$108.187 for each \$100 par value thereof.

This bid is made with the understanding that the bonds, when issued, will be the legal and valid binding obligations of the State and that the legal opinion to such effect of the Attorney General of Maryland, Messrs Ritchie, Janney, Ober & Williams and Messrs. Mullikin, Stockbridge & Waters will be delivered to us if we are the successful bidders.

We are enclosing our certified check for \$5,000.00 drawn to the order of the Treasurer of the State of Maryland which is to be used in part payment of the bonds in case our bid is accepted otherwise to be returned to us promptly.

Yours very truly,

HGB/H

/s/ Strother, Brogden & Co.

HARRIS TRUST AND SAVINGS BANK

115 West Monroe St.

Chicago

August 6th, 1935.

Hon. Hooper S. Miles, Treasurer,
State of Maryland,
Annapolis, Maryland.

Dear Sir:

Referring to the \$100,000 General Bonds of 1935 of the State of Maryland to be offered for sale on the 7th instant, we hereby submit the following bid:-

For \$100,000 (all or none) Coupon Bonds of the State of Maryland, dated August 15th, 1935, to constitute direct general obligations of said State of Maryland, denomination \$1000, maturing as follows:-

\$6,000 due August 15th, 1938/1940 incl.
\$7,000 due August 15th, 1941/1943 incl.
\$8,000 due August 15th, 1944/1946 incl.
\$9,000 due August 15th, 1947/1949 incl.
\$10,000 due August 15th, 1950.

without option of prior payment, bearing Three (3%) Per Cent interest, payable semi-annually on the 15th day of February and August, we will

pay you the par value thereof and accrued interest to date of delivery and a premium of Eight Thousand One Hundred and Seventeen (\$108,117.00) Dollars.

This bid is made for prompt acceptance and for prompt delivery of the bonds to us, you agreeing to furnish us prior to delivery opinion of the Attorney General of the State as well as opinion of Ritchie, Janney Ober & Williams and Mulliken, Stockbridge & Waters, approving the legality of said bonds and the sale thereof, together with the certified papers examined by them showing that principal and interest are payable from taxes that may be levied on all taxable property within the State of Maryland without limitation as to rate or amount.

As an evidence of good faith we attach hereto our certified check for \$5,000.00 with the understanding that if said bonds are awarded and delivered to us in accordance with this bid, said check may be applied as part payment; otherwise, same to be returned to us promptly.

Very truly yours,

HARRIS TRUST & SAVINGS BANK
of Chicago

By /s/ E. J. Altgelt, Jr.

HALSEY, STUART & CO.

35 Wall Street,
New York, N.Y.
August 7, 1935.

Hon. Hooper S. Miles, Treasurer,
State of Maryland
Annapolis, Maryland.

Dear Sir:

For All or None of One Hundred Thousand Dollars (\$100,000)
STATE OF MARYLAND CERTIFICATES OF INDEBTEDNESS, offered for sale
Wednesday, August 7, 1935, at noon which Certificates are to be
general obligations payable from unlimited ad valorem taxes to be
issued in coupon form in the denomination of \$1,000 registerable
as to principal only, semi-annual interest February 15 and August 15,
Certificates to be dated August 15, 1935 and to mature August 15th
as follows:

\$6,000	1938 to 1940
7,000	1941 to 1943
8,000	1944 to 1946
9,000	1947 to 1949
10,000	1950

and in all other respects as set forth in the official notice of
sale, we will bid Par and accrued interest to date of delivery
plus a premium of \$ 8,085.no/100 for Certificates
bearing interest at the rate of three percentum per annum.

It is understood that the Certificates will be delivered to
us accompanied by the unqualified approving opinion of the Attorney
General of

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Maryland and of Messrs. Ritchie, Janney, Ober & Williams
and Messrs. Mullikin, Stockbridge & Waters.

We are enclosing herewith our good faith check in the
amount of \$5,000 to be held by you pending the fulfillment of our
contract if we are the successful bidder. If our bid is not suc-
cessful, please return our check immediately.

Respectfully submitted,

ENCLOSURE.

/s/ Halsey, Stuart & Co. Inc.

W. W. LANAHAN & CO.
CALVERT BLDG
Baltimore

August 7, 1935.

Treasurer of the State of Maryland,
Annapolis, Maryland.

Dear Sir:

We will pay for

\$100,000 THREE PER CENT. CERTIFICATES OF INDEBTEDNESS
KNOWN AS "GENERAL BOND ISSUE OF 1935"

to be dated August 15, 1935 and to mature serially in various amounts from
August 15, 1938 to August 15, 1950, as more particularly described in the
enclosed advertisement, the sum of \$107,735 which is 107.735% of par.

This bid is made for a total of \$100,000 bonds and not for any part thereof.

This bid is made with the understanding that these bonds are valid and bind-
ing obligations of the State of Maryland.

It is also understood, in accordance with the advertisement, that the approv-
ing legal opinion of Messrs. Ritchie, Janney, Ober & Williams, and Mullikin,
Stockbridge & Waters will be delivered without cost to us if we are the pur-
chaser of these bonds.

Certified check in the amount of \$5,000, which is 5% of the par value of the
bonds bid for, is enclosed herewith.

If these bonds are awarded to us, kindly advise us immediately. If they are
not awarded to us, kindly return our certified check as promptly as possible.

Very truly yours,

JCR:DH
Encls:2

/s/ W. W. Lanahan & Co.

ALEX. BROWN & SONS

BALTIMORE, MARYLAND:

August 6, 1935.

Honorable Hooper S. Miles, Treasurer
State of Maryland
Annapolis, Md.

Dear Sir:

For all, but not for any part, of \$100,000 State of Maryland 3% Certificates of Indebtedness known as "General Bond Issue of 1935", offered for sale on August 7, 1935, to be dated August 15, 1935 and to mature serially from August 15, 1938 to 1950 inclusive, as described in the attached notice of sale which is hereby made a part of our bid, we will pay \$107.363 and accrued interest to date of delivery for each \$100 principal amount thereof.

The above Certificates of Indebtedness are to be legal, valid, and binding general obligations of the State of Maryland, the State agreeing to furnish the opinion of the Attorney-General of Maryland and the opinion of Messrs. Ritchie, Janney, Ober & Williams and Mullikin, Stockbridge & Waters, showing same prior to delivery.

We enclose our certified check for \$5,000 drawn to the order of the Treasurer of Maryland, as a deposit in accordance with the terms of our bid, which we ask to have returned promptly to our representative in case the Certificates of Indebtedness are not awarded to us.

Yours Very truly,

/s/ Alex. Brown & Sons.

UNION TRUST COMPANY OF MARYLAND

BALTIMORE

August 7, 1935.

Treasurer of Maryland
Annapolis, Maryland

Dear Sir:-

For all, but no part of, \$100,000 State of Maryland 3% Certificates of Indebtedness, known as "General Bond Issue of 1935", more particularly described by the attached advertisement, which is made part of our bid, we will pay 107.759% and accrued interest to date of delivery for each \$100 par value thereof.

It is our understanding that if we are the successful bidder, the opinion of the Attorney General of Maryland, and also the opinions of Messrs. Ritchie, Janney, Ober & Williams and Mullikin, Stockbridge & Waters will be delivered to us.

We enclose herewith certified check of Baker, Watts & Co. for \$5,000, in part payment of the issue, in case we are awarded the bonds. If we are not the successful bidder, it is understood that the check will be returned to us.

Very truly yours,

UNION TRUST COMPANY OF MARYLAND
BAKER, WATTS & CO.

By - UNION TRUST COMPANY OF MARYLAND

/s/ Wm. G. Dancy,
Assistant Treasurer

WGD/MB

STEIN BROS. & BOYCE

6 S. Calvert St.

Baltimore

August 6, 1935.

Hon. Hooper S. Miles,
Treasurer of the State of Maryland,
Annapolis, Maryland

Dear Sir:

Referring to your advertisement, a copy of which is attached hereto and made part of this bid, offering for sale at 12 o'clock noon, Wednesday, August 7, 1935,

\$100,000 STATE OF MARYLAND
3% General Bond Issue of 1935
Dated August 15, 1935
Due August 15, 1938 to 1950, incl.

In coupon form and in denomination of
\$1,000 each, with interest payable
February 15th and August 15th

for all or none of the above Certificates of Indebtedness, we hereby offer to pay you at the rate of \$ 106.75 and accrued interest for each \$100 par value thereof.

This bid is made with the understanding that the Certificates of Indebtedness will be the legal and valid binding enforceable obligations of the State of Maryland and that the full faith, credit and unlimited taxing power of the State of Maryland is pledged for the payment of principal thereof and interest thereon, and that in the opinion of the attorneys the bonds are legally and validly issued and sold, and that a copy of said opinion will be delivered, without cost, to the successful bidder.

In accordance with the terms of the advertisement, and as evidence of good faith, we are enclosing herewith certified check on The Mercantile Trust Company, Baltimore, for \$5,000. This check is to be used in part payment of the bonds in case this bid is accepted and delivery is made accordingly, and to be returned to us promptly in case this bid is not accepted.

Very truly yours,

/s/ Stein Bros & Boyce.

W.T. Childs-k

OWEN DALY & CO.

23 South Street

Baltimore
August 7, 1935.

Treasurer of the State of Maryland,
Annapolis, Md.

Dear Sir:

For all but no part of the following described, legally issued, properly executed, direct general obligations of the State of Maryland, namely: \$100,000 Certificates of Indebtedness, known as "General Bond Issue of 1935", offered for sale August 7, 1935, bearing interest at the rate of three per centum per annum, payable semi-annually on February 15 and August 15; to be in coupon form in denomination of \$1,000; to mature without option of prior payment

\$6,000 on August 15, 1938	\$8,000 on August 15, 1945
6,000 on August 15, 1939	8,000 on August 15, 1946
6,000 on August 15, 1940	9,000 on August 15, 1947
7,000 on August 15, 1941	9,000 on August 15, 1948
7,000 on August 15, 1942	9,000 on August 15, 1949
7,000 on August 15, 1943	10,000 on August 15, 1950
8,000 on August 15, 1944	

and as further described in the attached notice of sale which is hereby made a part of this bid, we will pay \$ 106,520.00 , equivalent to \$ 106.52 for each \$100 par value of Certificates of Indebtedness, and accrued interest from the date of the issue to delivery thereof.

This bid is subject to our being furnished, without cost to us, at the time of, or prior to the delivery of the Certificates of Indebtedness, with a satisfactory legal opinion of the Attorney General of the State of Maryland and of Ritchie, Janney, Ober & Williams, and Mullikin, Stockbridge & Waters, Esqs., approving the validity of the issue; also with a copy of the record of proceedings and other certified papers examined by them.

To qualify this bid, we enclose herewith the required check in the amount of \$5,000, drawn to the order of the Treasurer of the State of Maryland. It is understood that if we are the successful bidder for this issue, this check will be retained as partial payment of the total purchase price named herein, but if we are not the successful bidder, it will be returned to us immediately upon the award of the Certificates of Indebtedness.

This bid is for immediate acceptance.

Very truly yours,

Enclosure

/s/ Owen Daly & Co.

Award

Upon motion of the Comptroller seconded by the Treasurer the bid of Mackubin, Legg & Company was accepted and the bonds awarded to that bidder.

A committee, consisting of General Reckord, Colonel Joshua G. Harvey, Captain William C. Purnell and Edward S. Dickey, appeared before the Board and solicited some funds to take care of expenses incident to the dedication of the rebuilt 5th Regiment Armory in Baltimore on September 13th and 14th. It was explained that it is expected a rather elaborate affair will be held, it being the intention to have the Governors of the original thirteen States present at the dedication, as well as other distinguished visitors. The committee advised the Board that some money had been raised privately and that \$3,000.00 had been promised by Baltimore City, with the assurance that the City would make a further contribution to bring the amount given by the City up to the amount contributed by the State.

After due consideration of the matter, the Secretary was instructed to write General Reckord advising him that he would be authorized and instructed to expend the sum of \$5,000.00 on the part of the State in connection with the dedication exercises, out of the funds

\$ 109,8133

arising to the credit of the Military Department from the two bond issues aggregating \$150,000.00, made available for use in the reconstruction of the Armory.

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Charles G. L. Huether, Past Department Commander of the Veterans of Foreign Wars, together with several other representatives of that organization, appeared before the Board and solicited an allotment of money for use in connection with the expense of sending the Fife and Drum Corps of the Veterans of Foreign Wars to a convention of that organization in New Orleans in September of this year. *incl.*

The Board was sympathetic to the request but was of the opinion that it could not legally make available any funds to the organization and, for that reason, had to disapprove the request.

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Mayor Howard W. Jackson, of Baltimore City, headed a delegation which appeared before the Board in connection with the City's claim for a part of the pool of \$3,000,000.00 created by the General Assembly of 1933, the Mayor claiming that the City was entitled to the difference between \$1,500,000.00 and the amount paid by the State in servicing the \$12,000,000.00 Emergency Unemployment Relief Loan of 1933, which was issued for the benefit of unemployment relief in Baltimore City. The Mayor spoke in behalf of the City's claim as did also Mr. Philip B. Perlman, Attorney, and a discussion of the entire subject was had between the members of the Board of Public Works and the City's representatives. The Board took the matter under advisement and later adopted the following resolution:

"The City of Baltimore claims the sum of \$823,000.00 for the year 1934, and the sum of \$444,360.00 for the year 1935, from the fund of \$3,000,000.00 set up in the Budget Act of 1933 for the fiscal years 1934 and 1935 and commonly referred to as the "pool". In 1933 the City of Baltimore was in great need of cash to care for its unemployed and applied to the State for a loan of \$8,000,000.00; to be repaid at stated intervals. At that time the City's credit would not permit it to borrow such a sum, it having already borrowed to the margin of seven per cent of its assessable basis, beyond which further borrowing was not considered practicable, nor would its bonds have found a favorable market. Because of these and other difficulties, the State, through legislative enactment, came to the relief of Baltimore by authorizing a bond issue of \$12,000,000.00, to be paid to the City without obligation on the part of the City for repayment, and levied a State tax for servicing said bond issue of five cents (5¢) per \$100.00, which tax must be continued each year for a period of 15 years - the life of the bonds. In order, however, that the five cents increase in the State tax rate should not be projected as an additional burden upon its citizens during the years 1934-35, drastic cuts affecting salaries and other important State agencies were made by the State in its budget and, thereby, the \$3,000,000.00 "pool" was created. It was provided that one-half of this "pool", or \$1,500,000.00, should be paid to the Counties of the State for tax reduction purposes, which was done; the other \$1,500,000.00 was appropriated by the legislature "to payment of interest and principal on bonds issued for emergency relief of the unemployed in Baltimore City, in accordance with legislation providing therefor, the balance, if any, in the discretion of the Board of Public Works, to be held in the State Treasury for the purpose of future interest payments or the amortization of said bonds, or to be paid, through the Board of Public Works, for further unemployment relief in Baltimore, and if not needed for that purpose, then for the reduction of direct taxes in the City."

"The entire proceeds of the \$12,000,000.00 bond issue, together with a premium of \$738,610.00 realized from the sale of the bonds, totaling \$12,738,610.00, were given to Baltimore City without any obligation on the part of the City for repayment. This was and still is a State obligation in its entirety - an outright gift to the City. The relief thus afforded by the State to the City placed the City in the favorable position of not being required to expend a single dollar of its own money for relief purposes, its entire relief needs being carried by the State and Federal governments.

"It is conceded by the City that the sums claimed are not needed for relief purposes, but it is asserted that the claims are only for the purpose of effecting a reduction in the City's tax rate. The so called "pool" will terminate on September 30, 1935, at expiration of the 1933 Budget Act. The result of the entire transaction is that during the fiscal years 1934 and 1935 the State of Maryland has paid \$12,738,610.00 to Baltimore City and \$3,000,000.00 to the Counties, which payments are in ratio of more than 4 to 1 in favor of the City. On October 1, 1935 there will remain unpaid \$11,071,000.00 of the unemployment relief bonds (issued for the benefit of Baltimore City) which will require, over the period of the years 1936 to 1949, inclusive, interest payments amounting to \$3,427,680.00, which, together with the principal amount of the bonds now unredeemdd, amount to \$14,498,680.00, all of which is a direct obligation upon the State and must be paid from direct property taxes.

"For the \$3,000,000.00 received by the Counties they will be required to repay, through State taxation, approximately 40% of \$14,498,680.00, that is to say, \$5,799,482.00, while Baltimore City has received \$12,738,610.00, and its citizens will be required, through State taxation, to pay approximately 60% of \$14,498,680.00, that is to say, \$8,699,208.00. The result is that the Counties pay 193.3 per cent of the amount received by them, while Baltimore City pays only 72.5 per cent of the amount it received, thereby requiring the Counties to bear a burden 2 1/2 times greater than the City.

"A detailed statement of the combined expenditures to date of State and Federal funds for unemployment relief shows that more than 83 per cent was expended in Baltimore City, and less than 17 per cent in all of the twenty-three Counties combined.

"There is and has been a steady decline in the taxable basis of the State and there is no assurance that such decline will not continue. In view of this condition, the Board is not justified in assuming that the 5¢ per \$100.00 in the State tax rate will produce an amount sufficient to pay interest and principal requirements on this loan.

"The Board of Public Works, therefore, in the exercise of the discretion vested in it under Chapter 597 of the Acts of 1933, now determines that such sum as remains in the "pool", after paying the redemptions and interest on the \$12,000,000.00 loan for the years 1934 and 1935, shall be held in the Treasury for the purpose of future interest payments or the amortization of said bonds."

/s/ Governor Harry W. Nice C

/s/ Treasurer Hooper S. Miles

/s/ Comptroller Wm. S. Gordy, Jr.

The Board took up the question of the future of the Maryland State Penal Farm, particularly with reference to the money still available out of funds arising from the sale of bonds of the State in the past for the construction and maintenance of the institution.

After due consideration, it was decided that the balance of construction funds available to the Board of Welfare for use at the Maryland State Penal Farm should be used for maintenance purposes only and that all active construction at the institution should cease. It was claimed by the Board of Welfare that the balance to the credit of the Maryland State Penal Farm of funds produced from bond issues would be inadequate to take care of maintaining the institution, and after consideration of this matter the Board agreed to make available to the institution the further sum of \$25,000.00 so that the institution would be able to preserve the construction already completed.

The Secretary took up with the Board a letter received from the Honorable Emanuel Gorfine, who has a client owning some land in Washington County which he proposes that the State take in exchange for property of the State in Pikesville, known as the Maryland Line Confederate Soldiers' Home. Mr. Gorfine was anxious that the Board enter into a tentative agreement for the State with his client, the agreement to be subject to legislative sanction at a future session of the legislature.

The Board decided that it would not want to enter into the proposed agreement.

The Secretary brought to the attention of the Board the controversy existing in connection with waterproofing to be done at Springfield State Hospital in connection with the erection of a new building at that institution. The matter was discussed at length and it was decided to approve the action of the Board of Managers of Springfield State Hospital and Mr. Henry P. Hopkins, Architect, in selecting waterproofing material for the work to be done.

The Secretary advised the Board of the fact that the Maryland State Board of Plumbing Commissioners had discontinued having its office at the Builders' Exchange, 12 W. Madison Street, Baltimore, and that in the future it would be located at the Old Town Bank Building, Gay Street and Fallsway, the rental to be the same as that heretofore paid at the Builders' Exchange.

The Board approved the arrangement as to the rent of space by the Plumbing Board.

The Board approved a request from Springfield State Hospital that it be authorized to charge from its accounts an item of \$56.00 representing a charge of \$2.00 per day for board and medical attendance rendered in the case of Mary Pandak, from November 20th to December 17th, 1933, the account being regarded as uncollectible.

The Secretary read to the Board a copy of a letter addressed *encl.* by Dr. J. W. Bird, President of the Maryland Children's Aid Society, to the Board of State Aid and Charities, requesting the State to increase its allowance to that organization.

The Board decided that the State did not have any funds out of which it could increase the appropriation to the Maryland Children's Aid Society included in the budget under State Aided Institutions.

The Secretary brought to the attention of the Board a letter from Samuel Polansky, Attorney, in which attention was called to the fact that in settlement with Mr. Benjamin Lerner for sale of the Northwestern Hay Scales property, the purchaser overlooked deducting charges of the City of Baltimore for water service for the Hay Scales property for the years 1930 to 1934, inclusive.

On motion, duly seconded and carried, the bills were ordered paid out of the Contingent Fund of the Board of Public Works.

The following letter from Henry Powell Hopkins, Architect, in connection with repairs to boilers at Eastern Shore State Hospital, was read and considered:-

July 24, 1935.

Mr. Joseph McCusker,
Secretary of the Board of Public Works,
Annapolis, Maryland.

Re: Eastern Shore State Hospital

Dear Mr. McCusker:

The Board of Managers of the Eastern Shore State Hospital opened bids yesterday for repairs to the boilers. The money allotted for this work was \$4,500.00. The low bidder was Charles E. Brohawn, Cambridge, Maryland, for the sum of \$4,099.17. The Board of Managers awarded the contract to the low bidder for the above sum, subject to the approval of the Board of Public Works, the furnishing of a bond, and the signing of the contract.

Contract price	\$4,099.17
Architect's Fee of 6%	<u>245.95</u>
Total cost of job to date.	\$4,345.12
Money allotted.	\$4,500.00
Total cost of job to date.	<u>4,345.12</u>
Balance of appropriation unexpended to date.	\$ 154.88

Inasmuch as the Hospital is very anxious to have this work done during warm weather, will you please have the Board of Public Works pass upon the action of the Eastern Shore State Hospital's Board of Managers in this matter at their earliest convenience.

Very truly yours,

Henry Powell Hopkins /s/

HPH:MKW

The Board approved the awarding of the work to Charles E. Brohawn, Cambridge, Maryland, for the sum of \$4,099.17.

Encl.

The following letter addressed to Governor Nice by the Association for the Restoration of the Pikesville Arsenal and Confederate Soldiers Home was read and considered:

July 26, 1935.

Hon. Harry W. Nice,
Governor of Maryland,
Annapolis, Maryland.

Dear Governor Nice:

Our association has authorized me to appoint a Committee to confer with you or with you and the other members of the Board of Public Works in reference to the Restoration of The Pikesville Arsenal and Confederate Soldiers Home.

I would appreciate very much your naming a time when our

Committee can have such a conference.

Very truly Yours,

THE ASSOCIATION FOR THE RESTORATION
OF THE PIKESVILLE ARSENAL AND CONFEDERATE
SOLDIERS HOME.

By:

W. P. E. Wyse, President. /s/

The Secretary was instructed to write the association and advise them that the Board would meet, in the offices of the Board of Public Works, Union Trust Building, Baltimore, on Wednesday, October 2nd, 1935, the regular quarterly meeting of the Board, at which time it would be in position to listen to any plans to be suggested by the association.

The Secretary presented to the Board a deed conveying a small strip of land at Bowie Normal School, Prince George's County, by the State to the Philadelphia, Baltimore and Washington Railroad Company. This small strip of land runs along the right of way of the railroad company and is desired by the company in order to straighten out its right of way at the point where it runs along the property of the Bowie State Normal School. There is 151/1000 of an acre involved and the Board had formerly agreed to accept \$100.00 as consideration for the execution of the deed to the land. The Board approved the transaction and authorized the execution of the deed by the members of the Board of Public Works.

The Board considered two proposals for the purchase of land owned by the State near Timonium Station, which was originally bought as a site for an institution for the Montrose School for Girls, but which site was never used because of the school having located at Woodensburg, beyond Reisterstown. One proposition was from Dr. George F. Sargent, Towson, Maryland, who offered \$1,500.00 for the land. The other proposition was submitted by Michael J. Lindsay on behalf of a client, who offered \$1,000.00 for the land. The Board was of the opinion that the land should be sold at public auction and authorized the Secretary to proceed with the details of carrying out the sale, the Board reserving the right to reject any and all bids, the sale to be made at the Court House at Towson, Maryland.

On Motion duly seconded, the following resolution was unanimously adopted:

*Emergency Bond
Issued 10/19/35*

"BE IT ORDERED, That in accordance with the Acts of 1935, Chapter 91, the Governor, the Comptroller of the Treasury, and the Treasurer of the State be and they are hereby authorized and directed to advertise twice a week for four successive weeks in the Baltimore Sun, the Baltimore News and the Post, the first insertion to bear date of September 9th, 1935, and the last insertion to bear date of October 4th, 1935, that the Treasurer will receive in the office of the Treasurer at Annapolis, Maryland at any time up to 12 o'clock noon, on October 9th, 1935, bids for bonds of the State of Maryland in the aggregate sum of \$1,500,000.00 to be issued under the provisions of said Act; said bids to be contained in sealed envelopes appropriately endorsed, and each bid to be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland for five per centum of the par value of the amount bid for. All bids will be opened at 12 o'clock noon on the 9th day of October, 1935.

"Said bonds shall be dated the 15th day of October, 1935, and they shall bear interest at the rate of three per centum per annum, payable semi-annually on the 15th days of April and October, respectively, during the continuance of said loan. Said bonds shall be of the denomination of \$1,000 each, all shall be subject to registration as to principal, and all shall be issued with interest coupons attached and shall be deliverable on the 15th day of October, 1935. The said bonds shall be issued upon the Serial Annuity Plan, as provided in said Act.

"The right shall be reserved to accept one bid for all of said loan, or separate bids for parts of said loan, as may produce the highest amount; and the right shall also be reserved to accept bids which are for parts of said loan, but which may not be for all, and to reject all bids or any bids. If two or more responsible bidders shall make the same bid and each bid shall be the highest, and the certificates so bid for by such highest responsible bidders shall be in excess of the whole amount of certificates as offered for sale, then such certificates of indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

"The Governor, Comptroller and the Treasurer shall cause to be prepared bonds in good and sufficient form for the amount of said loan."

University of Maryland

The Board considered a letter addressed to the Governor by the Department of Agriculture, Washington, D. C., in which the State was invited to participate in an additional appropriation made by the Department of Agriculture for the further development of co-operative agricultural extension work and the more complete endowment and support of land grant colleges.

The Board authorized the Governor to execute the certificate submitted by the Secretary of the Treasury applying for a share of the funds for the State of Maryland.

stock certificates

On Motion duly made, seconded and carried, the following resolution was unanimously adopted:

" WHEREAS, there is being carried on the books of the State Treasurer as part of the cash balance of the State Treasurer in the Baltimore Trust Company the sum of \$283,571.71, for which the State Treasurer holds Certificates of Beneficial Interest -

# 41771 -	\$ 15,245.79	
# 41774 -	76,228.95	
# 41776 -	34,303.03	
# 41778 -	38,114.48	
# 41779 -	190,572.40	
	<u>\$354,464.65</u>	
Less 20% Paid	<u>70,892.94</u>	\$283,571.71

*Compt. office
entry*

9/16/35

J-193

Operating Expenses

this situation arising out of the banking difficulties of the Spring of 1933 and the failure of the National Surety Company; and

WHEREAS, it is desirable, in order that the statements issued from time to time by the State Treasurer's Office show the actual amount of cash on deposit in the Baltimore Trust Company subject to demand;

THEREFORE, be it resolved that the State Treasurer and the State Comptroller be, and they are hereby authorized to set up on the books of their respective offices a separate account in which the aforesaid certificates shall be carried until such time as the same are liquidated or some final disposition is made of them."

2 - On Motion duly made, seconded and carried the Board unanimously adopted the following resolution:

" WHEREAS, there is being carried on the books of the State Treasurer as part of the cash balance of the State Treasurer in the Union Trust Company the sum of \$240,565.96, for which the State Treasurer holds Certificates of Beneficial Interest.

# 10534 -	\$100,000.00	
# 10535 -	20,000.00	
# 10536 -	62,000.00	
# 10537 -	4,000.00	
# 10545 -	20,000.00	
# 10688 -	34,565.96	\$240,565.96,

this situation arising out of the banking difficulties of the Spring of 1933 and the failure of the National Surety Company; and

WHEREAS, it is desirable, in order that the statements issued from time to time by the State Treasurer's Office show the actual amount of cash on deposit in the Union Trust Company subject to demand;

THEREFORE, be it resolved that the State Treasurer and the State Comptroller be, and they are hereby authorized to set up on the books of their respective offices a separate account in which the aforesaid certificates shall be carried until such time as the same are liquidated or some final disposition is made of them."

to

The Secretary brought/the attention of the Board a letter from Mr. Howard C. Hill, Acting Chairman of the Executive Committee of the House of Reformation for Colored Boys at Cheltenham, in which the Board of Public Works was advised that the Board of Managers of the House of Reformation for Colored Boys would be unable to hold a meeting until its next quarterly meeting in September, at which time the letter addressed to that Board by the Board of Public Works would be considered. It was agreed to await further word from the Board of Managers of the institution before any further action would be taken by the Board of Public Works on the subject.

The following letter from Mr. Charles H. Knapp, President of the Maryland Tuberculosis Sanatorium, dated July 24th, 1935, was read and considered:

State Sanatorium, Md. July 24, 1935

Board of Public Works,
Union Trust Building,
Baltimore, Md.

Gentlemen:-

Within the last six months or year there seems to be a decided increase in the applicants for admission to the State Tuberculosis Sanatorium at Salisbury, Maryland, at present there is a waiting list of twenty or twenty-five.

As you all know, of all the institutions that we control, the most expensive to operate is the Pine Bluff Sanatorium due to the small number of patients that we are able to take care of there.

An appropriation of \$35,000.00 would enable us to increase the capacity of that institution to the extent of twenty-five more beds, thereby giving us a population of seventy-five patients with comparatively little increase in the overhead except for food.

By allowing this sum of money for additional construction this institution would then be brought in line with the cost of operation of our other institutions in the State, and also supply a very urgent need for the people of the Eastern Shore.

We would be pleased to hear from you at your earliest convenience regarding this matter.

Very truly yours,

Charles H. Knapp /s/
President.

On motion duly seconded, it was unanimously voted to allot to the Maryland Tuberculosis Sanatorium, for additional construction at the Eastern Shore Branch at Salisbury, the sum of \$35,000.00

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The Board considered a request from Montrose School for Girls that it be allowed \$7,500.00 out of the Construction Fund to cover the cost of alterations and additions to the Meyer Cottage so that this Cottage could be changed from the purpose for which it was originally built to put it on the same basis as other cottages and enable the institution to take care of more girls. Mr. Blakeman spoke in behalf of the request and recommended that the allotment be made.

On motion duly seconded and unanimously carried, it was voted to allot \$7,500.00 to Montrose School for Girls for the work outlined.

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Mr. Miles took up with the Board the question of allotting some funds to St. Mary's Female Seminary to take care of the cost of some sewerage work. It was stated that the work would cost about \$2,500.00 and that it was very necessary that the work be done.

Upon motion duly seconded and unanimously carried, it was voted to allot \$2,500.00 to St. Mary's Female Seminary for use in connection with their sewerage system.

There being no further business, the meeting adjourned.


Secretary.